



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

James D. Parsons, Treasurer  
Fresno County Republican  
Central Committee  
P.O. Box 25366  
Fresno, CA 93729

AUG 19 1998

Identification Number: C00334383

Reference: July Quarterly Report (4/1/98-6/30/98)

Dear Mr. Parsons:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-A political committee that has established a federal account and a non-federal account must allocate between its federal and non-federal account all expenses for administrative costs, generic voter drives and fundraising programs or events. 11 CFR §106.6(b)(2)

Party committees must allocate any administrative expenses between the federal and non-federal accounts in proportion to the ballot composition method derived from FEC Schedule H1. 11 CFR §106.5

Schedule H2 is used by all political committees to report the allocation ratios of their joint federal and non-federal fundraising events and direct candidate support programs. Schedule H2 is filed with each report that discloses a disbursement for a shared activity. Schedule H3 is used by all political committees to report transfers received by the federal account from the non-federal account(s) to pay the non-federal share of allocable expenses.

Any expenditures made on behalf of both federal and non-federal candidates (including in-kind contributions, independent expenditures and coordinated expenditures) must also be allocated between your committee's

federal and non-federal accounts. Schedule H4 is used by all political committees to report payments for allocable expenses. 11 CFR §§106.1(a) and 106.5

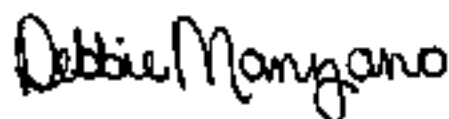
Please clarify the procedures you are currently using to allocate shared activity. The Commission recommends that you take steps to correct any non-compliance with the regulations. Also, your committee should establish procedures to ensure future compliance with the allocation regulations.

-Please amend your report by providing the purpose for each disbursement itemized on Schedule B supporting Line 21(b).

-Please provide a Schedule H3 to support the entry reported on Line 18 of the Detailed Summary Page. All transfers received from a committee's non-federal account for joint activity must be itemized on Schedule H3 regardless of the amount transferred. 2 U.S.C. §434(b)(3)(D)

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 694-1130.

Sincerely,



Debbie Manzano  
Senior Reports Analyst  
Reports Analysis Division

